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AT RICHMOND, December 21, 2001

JOINT PETITION OF

CASE NO. PUA010074

NET2000 COMMUNICATIONS OF VIRGINIA, LLC

and

CAVALIER TELEPHONE, L.L.C.

For authority to transfer the assets of Net2000
Communications of Virginia, LLC, to Cavalier
Telephone, L.L.C.

ORDER GRANTING AUTHORITY

On December 3, 2001, Net2000 Communications of Virginia, LLC ("Net2000-VA), and Cavalier Telephone, L.L.C. ("Cavalier"), (collectively, "Petitioners") filed an application with the Commission pursuant to § 56-88.1 of the Code of Virginia for authority to transfer the assets of Net2000-VA to Cavalier. Petitioners represent that granting such authority will permit Net2000-VA to consummate a transaction arising out of its Chapter 11 status and will enable Net2000-VA's current Virginia operations to be continued by a substitute carrier without interruption to Net2000-VA's customers.

Net2000-VA is a Virginia limited liability company with principal offices located in Herndon, Virginia. Net2000-VA is a wholly owned subsidiary of Net2000 Communications Services, Inc. ("Net2000"), a provider of broadband voice and data telecommunications services. Net2000-VA provides businesses with local, long distance, data, interactive video, and Internet services delivered over a single broadband connection. Through its subsidiary, Net2000-VA, Net2000 operates sales offices in Northern Virginia, Norfolk, and Richmond. Net2000-VA has

certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services in Virginia.

Cavalier is a Virginia limited liability company with its principal offices in Richmond, Virginia. Cavalier is a wholly owned operating subsidiary of Cavalier Telephone Corporation, a Delaware corporation. Cavalier has certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services in Virginia.

On November 16, 2001, Net2000 and its subsidiaries, including Net2000-VA, filed a petition with the U.S. Bankruptcy Court for the State of Delaware seeking protection pursuant to Chapter 11 of the U.S. Bankruptcy Code. Pursuant to a proposed transaction filed with that Court, Cavalier will acquire substantially all of Net2000-VA's assets used in providing service to the public in Virginia, including all of its customer accounts and contracts. Following that transfer of assets, Cavalier will provide facilities-based and resold local exchange, exchange access, and interexchange telecommunications services to the former customers of Net2000-VA.

Petitioners state that to ensure a seamless transition and avoid customer confusion or inconvenience, Petitioners will give written notice to Net2000-VA's customers at least thirty (30) days prior to that transfer. Petitioners also state that Cavalier will amend its tariff to include the rates and charges currently in effect in the Net2000-VA tariff. Thus, Cavalier will provide service to the existing Net2000-VA customers at the same rates and service arrangements as those currently in effect.

THE COMMISSION has been advised by its Staff that neither Net2000-VA nor Cavalier has provided notice of the proposed transfer of assets and customers from Net2000-VA to Cavalier. Moreover, Cavalier has not submitted revised tariffs to the Division of Communications. Therefore, to ensure that that proposed transfer neither impairs or jeopardizes

the provision of adequate service to the public at just and reasonable rates, any authority granted herein shall be conditioned as follows: (1) Net2000-VA shall file a request with the Commission to discontinue service pursuant to 20 VAC 5 400 180 D 7 and shall include with its request proof of notification to customers of the transfer to Cavalier; and (2) Cavalier shall submit tariff revisions to the Commission's Division of Communications reflecting the current services, rates, and terms charged to the Net2000-VA customers.

Accordingly, IT IS ORDERED THAT:

- 1) Pursuant to §§ 56-88.1 and 56-90 of the Code of Virginia, Net2000-VA is hereby granted authority to sell and Cavalier to acquire the assets used by Net2000-VA to provide telecommunications services to the public in Virginia, including all customer accounts and contracts, subject to conditions detailed herein.
- 2) Petitioners shall provide notice of the proposed transfer to the existing customers of Net2000-VA thirty (30) days prior to the transfer of such customers from Net2000-VA to Cavalier. Copies of such notices shall be submitted to the Commission's Division of Communications.
- 3) Cavalier shall submit revised tariffs to the Commission's Division of Communications; such tariffs shall include the rates and charges currently being charged to customers of Net2000, consistent with the Net2000-VA's tariff currently on file with the Division of Communications.
- 4) There appearing nothing further to be done in this matter, it hereby is dismissed.